

### **REMARKS**

This responds to the Office Action mailed on January 10, 2008.

Claims 1, 4, 8, 15 and 22 are amended, no claims are canceled, and no claims are added; as a result, claims 1-28 are now pending in this application.

#### **§102 Rejection of the Claims - Xie**

Claims 1, 3-4, 7-8, 10-11, 14-15, 17-18, 21-22, 24-25 and 28 were rejected under 35 U.S.C. § 102(e) for anticipation by Xie et al. (U.S. 7,006,987; hereinafter "Xie").

Applicants respectfully submit that the rejection of the claims 1, 3-4, 7-8, 10-11, 14-15, 17-18, 21-22, 24-25 and 28 under 35 U.S.C. § 102(e) is defective for the reason that Xie does not disclose each and every limitation of the independent claims of the present application.

"A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference."<sup>1</sup>

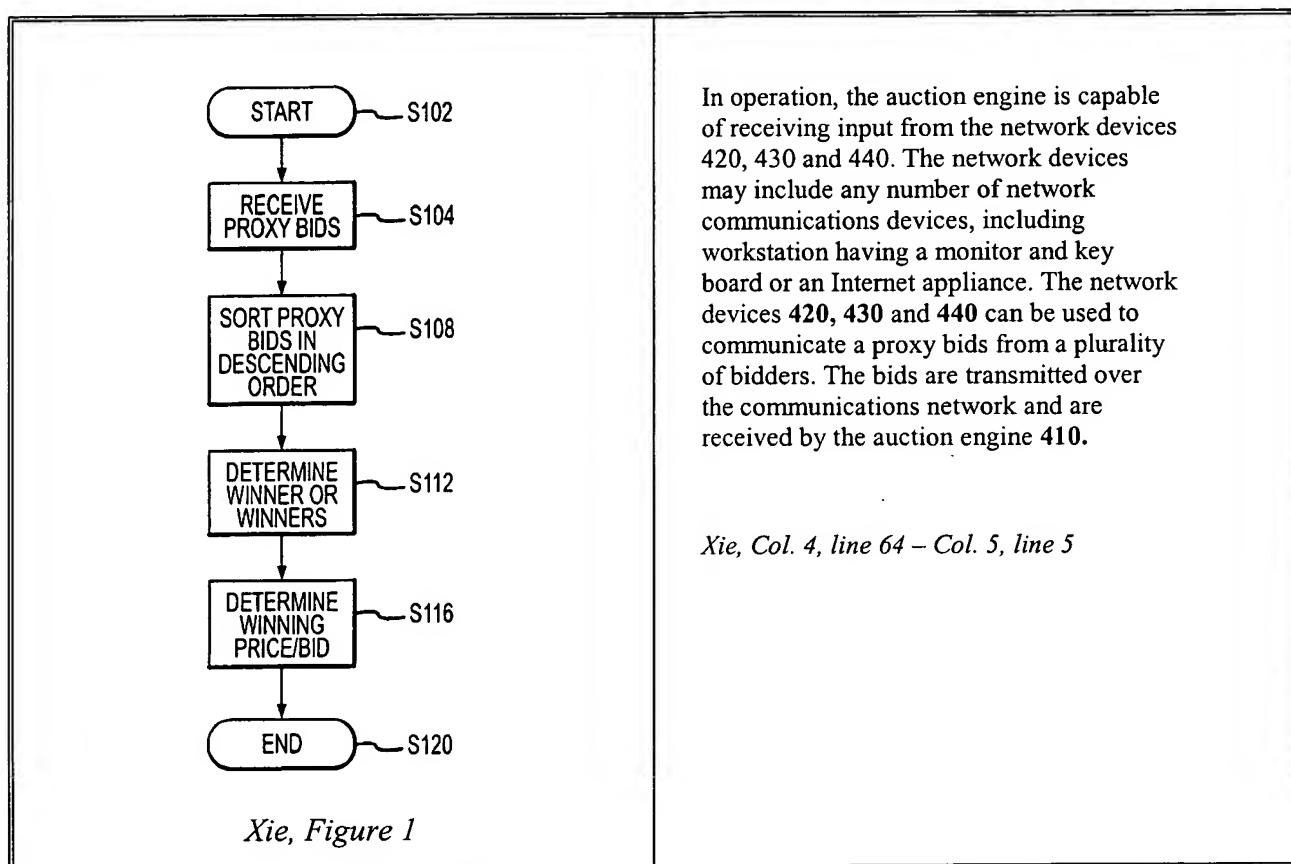
Applicants believe that the issue of patentability over Xie is best understood with regard to claim 1 which includes the following limitations:

*a fixed price-setting process executed from the memory by the processor to cause the processor to facilitate the operation of a network-based auction price setting process for a listing of an item, the fixed price-setting process to provide a fixed price offer for the item and to publish the fixed-price offer on the listing based on a criterion.*

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<sup>1</sup> *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, USPQ2d 1051, 1053 (Fed. Cir. 1987)

In seeking to show anticipation of the above limitation, the Office Action highlights the following in Xie:



The above material from Xie relates to an auction engine. The auction engine receives input from network devices. The input includes proxy bids. A proxy bid is a bid that doesn't have a bid price.<sup>2</sup> Instead, the proxy bid is an indicator of the upper limit the bidder is willing to offer<sup>3</sup> in an auction. Thus, as the bids ascend from a base price, a bidder submitting a proxy bid will win the auction if no other bidder in the auction has a bid higher than his or her proxy bid.<sup>4</sup>

<sup>2</sup>Xie, Col. 1, line 39-43

<sup>3</sup>Id.

<sup>4</sup>Id.

In contrast to Xie, claim 1 requires two processes, a fixed price-setting process and a network-based auction price setting process. Further, claim 1 requires the fixed price-setting process to provide a fixed price offer for the item. Merely for example, the present application presents an embodiment of some of the limitations of claim 1 as follows:

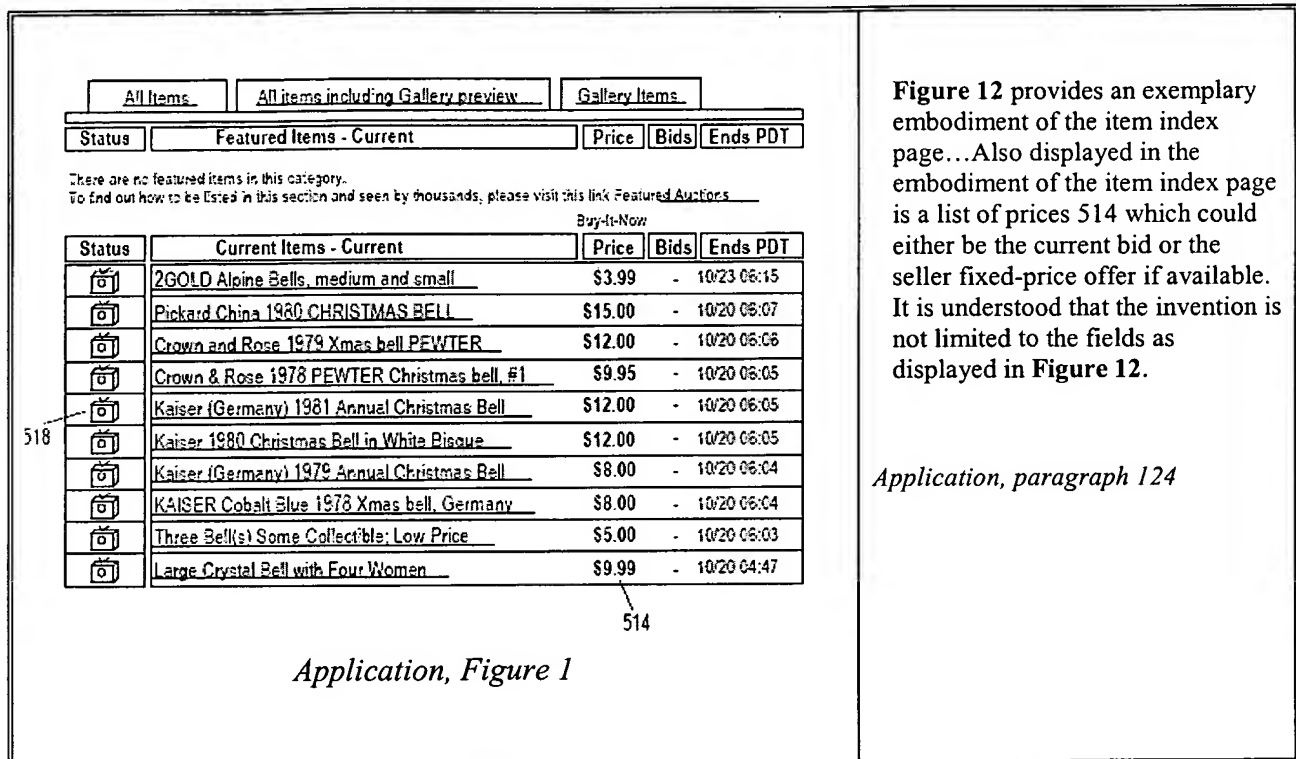


Figure 12 provides an exemplary embodiment of the item index page...Also displayed in the embodiment of the item index page is a list of prices 514 which could either be the current bid or the seller fixed-price offer if available. It is understood that the invention is not limited to the fields as displayed in Figure 12.

The above provides an embodiment of an item index page. The example item index page includes a list of example items respectively associated with a list of example prices 514 as described above. Further, paragraph 124, quoted above and to the right, states, "the list of prices 514 which could either be the current bid or the seller fixed-price offer if available." Claim 1 requires two processes, a fixed price-setting process and a network-based auction price setting process. The fixed price-setting process is distinct from the network-based auction price setting process and is to provide a fixed price offer for the item.

In contrast to the quoted limitations of claim 1, Xie relates to proxy bids. A proxy bid is received in an auction. Specifically, the above from Xie relates to an "auction engine" which

receives proxy bids for an auction. A proxy bid is an indicator of the upper limit the bidder is willing to offer<sup>5</sup> in an auction. To be sure, Xie's title is, "Efficient Implementation of an Auction Proxy Bid Engine."

The Final Office Action states:

Applicants' arguments have been fully considered but they are not persuasive. The Applicants have argued that Xie teaches a "proxy bid" and not a "fixed price" (see Remarks pages 8 and 9). The examiner respectfully disagrees and notes that a "proxy bid" is nothing more than a fixed upper limit a bidder is willing to offer for an item. This fixed upper limit is a maximum price a bidder is willing to offer. Thus the "proxy bid" is a fixed maximum price offered by a bidder and therefore is a "fixed price".<sup>6</sup>

Applicants partially disagree. In response to the above quote Applicants observe that Xie relates a bid, specifically a "proxy bid."<sup>7</sup> Further, Xie relates, in a sentence following the above quote, that the bid is submitted in an auction:

"...Thus as the bids ascend from a base price, a bidder submitting a proxy bid will win the auction if no one has bid higher than his or her proxy bid."<sup>8</sup>

Indeed, excluding the claims, Xie mentions "proxy bid" thirty-three times and in each instance the context is an auction. Specifically, Xie mentions "proxy bid" in the title which appears twice<sup>9</sup>, once in the "Abstract,"<sup>10</sup> eight times in the "Discussion of Related Art,"<sup>11</sup> eight times in the "Summary of Invention,"<sup>12</sup> and fourteen times in the "Detailed Description of the Preferred Embodiments."<sup>13</sup> Xie therefore cannot be said to anticipate the above quoted limitation because Xie relates an auction proxy bid engine that receives proxy bids for an item in an auction and claim 1 requires a fixed price-setting process that provides a fixed price offer for the item.

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<sup>5</sup>Xie, Col. 1, line 39-43

<sup>6</sup> Final Office Action mailed January 10, 2008, Page 5.

<sup>7</sup> Xie, Col. 1, lines 40-42.

<sup>8</sup> Id., Col. 1, lines 43-44.

<sup>9</sup> Cover Page, Top of Col 1.

<sup>10</sup> Cover Page.

<sup>11</sup> Col. 1, lines 39, 40, 41, 43, 44, 46, 51 and 54.

<sup>12</sup> Col. 1, line 59; Col. 2, lines 4, 6, 8, 9, 15, 15, and 16.

<sup>13</sup> Col. 2, lines 29, 43, 44, 53; Col. 3, lines 8, 13, 50 and 54; Col. 4, line 33; Col 5, lines 3, 7, 9, 10 and 37.

The above remarks are similarly applicable to a consideration of independent claims 8, 15, and 22.

As dependent claims are deemed to include all limitation of claims from which they depend, the rejection of claims 3-4, 7, 10-11, 14, 17-18, 21, 24-25 and 28 under 35 U.S.C. § 102(e) is also addressed by the above remarks, and the amendments contained herein.

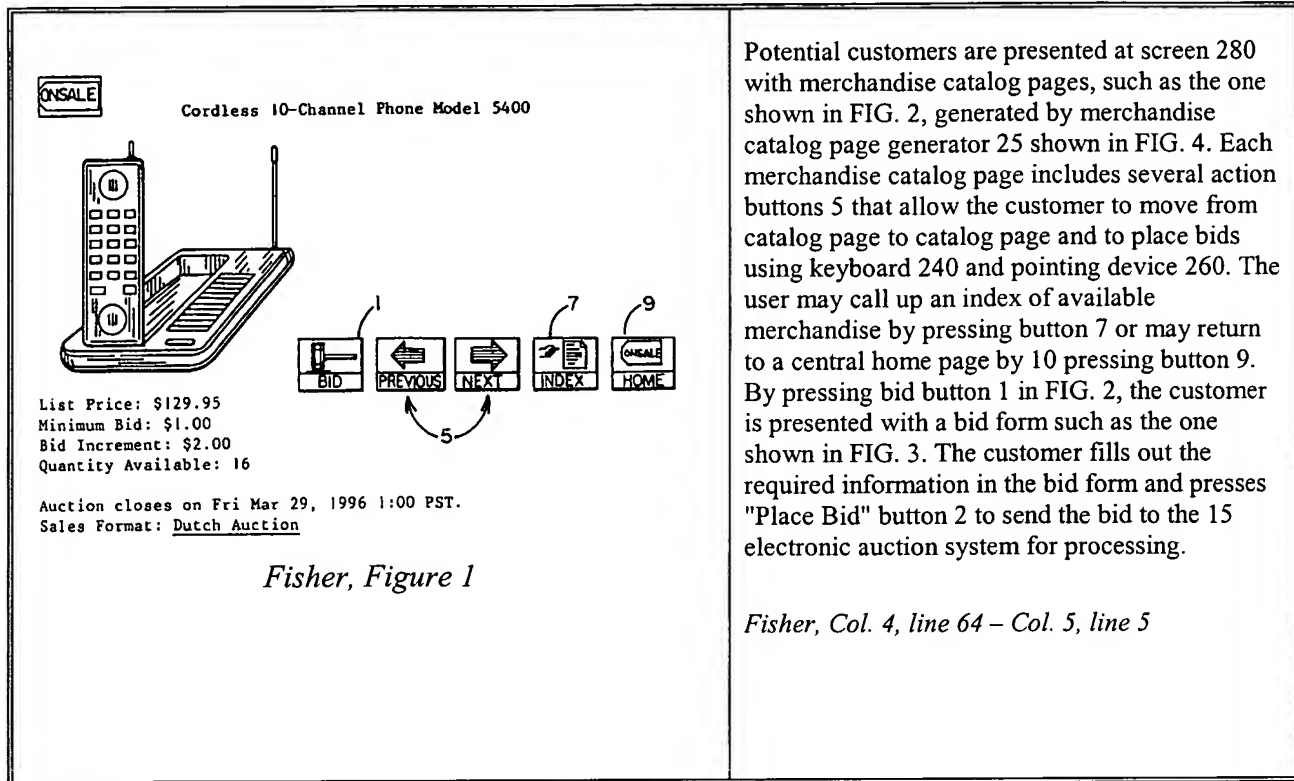
§102 Rejection of the Claims – Fisher

Claims 1-2, 7-9, 14-16, 21-23 and 28 were rejected under 35 U.S.C. 102(b) for anticipation by Fisher et al. (U.S. 6,243,691), hereinafter Fisher.

Applicants respectfully submit that the rejection of the claims 1-2, 7-9, 14-16, 21-23 and 28 under 35 U.S.C. § 102(b) is defective for the reason that Fisher does not disclose each and every limitation of the independent claims of the present application.

Applicants believe that the issue of patentability over Fisher is best understood with regard to the above quoted limitations of claim 1.

The Office Action highlights a “List Price” in Figure 1 in Fisher (Office Action, page 4, second paragraph) in anticipation of the quoted limitations of claim 1. Fisher relates the following:



The above from Fisher relates to a merchandise catalog page. The merchandise catalog page includes information for an auction and action buttons. The information for the auction includes a "List Price." For example, the above merchandise catalog page includes information for an auction in the form of a "List Price" of "\$129.95" for a "Cordless 10-Channel Phone Model 5400." The action buttons include a bid button. The bid button may be selected by a customer to enter a bid for the phone.

Applicants believe that the issue of patentability over Fisher is again best understood with regard to claim 1 as quoted above.

Claim 1 requires claim 1 requires a fixed price-setting process that provides a fixed price offer for an item. In contrast to the quoted limitations of claim 1, Fisher relates to a merchandise catalog page that includes information in the form of a "List Price." Apparently, the "List Price" serves the purpose of helping a bidder to select a bid for merchandise that is up for bid in an auction. Nevertheless, a catalog page that contains a "List Price" that facilitates the selection of a

bid is not the same as fixed price-setting process that provides a fixed price offer for an item. Nowhere does Fisher relate a fixed price offer much less a fixed price-setting process that provides such an offer. The Final Office Action states:

The applicants also argue that Fisher fails to anticipate the claimed invention because Fisher is directed to a catalog page that contains a "List Price". (see Remarks page 11). The examiner respectfully disagrees. Fisher is directed to an online auction that displays a "fixed price" for an item. Thus, Fisher teaches more than just a catalog page.<sup>14</sup>

Applicants again beg to differ. In response to the above quote, Applicants observe that claim 1 requires more than displaying a "fixed price" for an item. Indeed, claim 1 requires providing a "fixed-price offer" for an item. Moreover, claim 1 requires a "fixed price-setting process" that is also not disclosed by Fisher. Finally, claim 1 requires a "fixed price-setting process" that provides a "fixed-price offer" for an item. Accordingly, Fisher cannot be said to anticipate the limitations of claim 1 because the above from Fisher and the quote from the Final Office Action merely relate non-functional descriptive material<sup>15</sup> in the form of a "List Price" on a catalog page while claim 1 requires multiple elements not disclosed in Fisher, the elements including a "fixed price-setting process," "a fixed price offer for an item," and a "fixed price-setting process to provide a fixed price offer for the item."

The above remarks are also applicable to a consideration of independent claims 8, 15, and 22.

As dependent claims are deemed to include all limitation of claims from which they depend, the rejection of claims 2, 7, 9, 14, 16, 21, 23 and 28 under 35 U.S.C. § 102(b) is also addressed by the above remarks, and the amendments contained herein.

In summary, neither Xie or Fisher disclose each and every limitation of claim 1, as required to support a rejection of this claim under 35 U.S.C. § 102.

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<sup>14</sup> Final Office Action mailed January 10, 2008, Page 5.

<sup>15</sup> Id.

§103 Rejection of the Claims

Claims 5-6, 12-13, 19-20, and 26-27 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Xie in view of Fisher.

Applicants respectfully submit that claims 5-6, 12-13, 19-20, and 26-27 should not be rejected under 35 U.S.C. § 103 for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

Applicable Law

In rejecting claims under 35 U.S.C. §103, the Examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. See M.P.E.P. §2142.

Argument

Claims 5-6, 12-13, 19-20, and 26-27 depend on independent claims 1, 8, 15 and 22 respectively. If an independent claim is not anticipated under 35 U.S.C. § 102 then, any claim depending therefrom is nonobvious and rejection of claims 5-6, 12-13, 19-20, and 26-27 under 35 U.S.C. § 103 is also addressed by the above remarks because Fisher fails to disclose what is lacking in Xie. Specifically, Fisher fails to disclose a fixed price-setting process that provides a fixed price offer for the item, as required by the independent claims 1, 8, 15 and 22.

In summary, Xie in combination with Fisher does not teach or suggest each and every limitation of claim 1 as required to support rejections of the independent claims of the present application under 35 U.S.C. § 103.



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**Reservation of Rights**

In the interest of clarity and brevity, Applicant may not have equally addressed every assertion made in the Office Action, however, this does not constitute any admission or acquiescence. Applicant reserves all rights not exercised in connection with this response, such as the right to challenge or rebut any tacit or explicit characterization of any reference or of any of the present claims, the right to challenge or rebut any asserted factual or legal basis of any of the rejections, the right to swear behind any cited reference such as provided under 37 C.F.R. § 1.131 or otherwise, or the right to assert co-ownership of any cited reference. Applicant does not admit that any of the cited references or any other references of record are relevant to the present claims, or that they constitute prior art. To the extent that any rejection or assertion is based upon the Examiner's personal knowledge, rather than any objective evidence of record as manifested by a cited prior art reference, Applicant timely objects to such reliance on Official Notice, and reserves all rights to request that the Examiner provide a reference or affidavit in support of such assertion, as required by MPEP § 2144.03. Applicant reserves all rights to pursue any cancelled claims in a subsequent patent application claiming the benefit of priority of the present patent application, and to request rejoinder of any withdrawn claim, as required by MPEP § 821.04.

CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4046 to facilitate prosecution of this application.

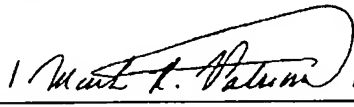
If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

SCHWEGMAN, LUNDBERG & WOESSNER, P.A.  
P.O. Box 2938  
Minneapolis, MN 55402  
408-278-4046

Date March 27, 2008

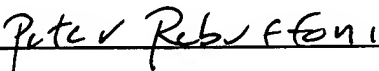
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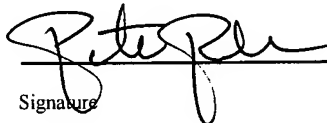


Mark R. Vatuone

Reg. No. 53,719

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